



CHAPTER 3: BUSINESS OFFICE

SECTION 00: GENERAL

Procedure 03-00-005: Minority and Women Owned Business Enterprise Plan

Special Order:

Supersedes:

Applies to: All employees

Effective Date: July 1, 2009

See Also:

RCW 39.19, WAC 326-40-040, WSP Regulation 10-04-080

CALEA:

Revised Date: July 1, 2009

I. DEFINITIONS

A. BizNet: An online directory of certified MWBEs maintained by OMWBE. BizNet is located on the internet at: <http://www.omwbe.wa.gov/biznetwas/>

B. Exception Code: Code used in the payment process to remove expenditures from the Reporting Base because the agency has no discretion for vendor selection; see Exception Coding below.

C. MWBE: Minority and Women Owned Business Enterprises. Firms certified by OMWBE to be minority and/or women owned businesses.

D. OMWBE: The Washington State Office of Minority and Women Owned Business Enterprises; the state agency that certifies minority and women owned businesses for the purpose of reporting MWBE utilization.

E. Participation Base: The Reporting Base minus any payments with a valid Exception Code: utilization percentages are calculated using the Participation Base.

F. Procurement Offices: Units with the agency that procure and contract for goods and services. The Procurement Offices are the Supply Section, Facilities Management Section, Budget and Fiscal Services and Electronic Services Division.

G. WEBS: The state of Washington's Electronic Business Solutions system; an online service operated by the Department of General Administration that enables vendors to register to do business with Washington State; and government organizations to post bid opportunities.

II. PROCEDURES

A. Purpose

1. This procedure defines and implements the MWBE annual plan required by WAC 326-40-040 and WSP Regulation 10-04-080. The purpose of this SOP is to identify realistic and genuine opportunities for which MWBEs may fairly access and compete for WSP contracts and purchases, to set annual MWBE participation goals

and strategies to achieve them, and to establish a system to measure progress toward those goals.

B. Responsibilities and Accountability

1. The Budget and Fiscal Services (BFS) Administrator is responsible for development and implementation of this plan (SOP). This plan will be updated at least annually prior to the beginning of each fiscal year including as a minimum: (1) a review and update of the agency's MWBE goals for the upcoming fiscal year and (2) identification of the specific measures and strategies which will be employed in the upcoming fiscal year by contracting and procurement offices to attain those goals. BFS will report the agency's progress toward attaining its annual MWBE goals at least quarterly during the agency Strategic Advancement Forum (SAF).
2. The Property Management and Electronic Services Division Administrators shall actively participate in the annual goal setting process and establishment of strategies to attain those goals. In addition, PMD and ESD Administrators will insure their purchasing and contracting staffs pursue the annual strategies contained in this SOP as well as comply with the procedures and record keeping requirements.
3. The BFS Contract Manager is responsible for communication of procedures and operational implementation of this plan including training of agency staff, monitoring progress towards attaining MWBE goals, record keeping for BFS awarded contracts, and initial investigation of any disputes or complaints.
4. Agency staff involved in purchasing or procurement actions will comply with the spirit of the measures and strategies identified herein in all purchasing decisions and contract solicitations.
5. The BFS Business Office Manager and Accounts Payable staff will insure that the agency expenditure reports are submitted monthly as required though AFRS history reports. In addition, Accounts Payable staff will diligently insure exception pay flag codes are used as appropriate for each purchase processed and additive/deductive exceptions are identified and petitions for exception submitted promptly to OWMBE.

C. Annual Forecasting and Goal Setting

1. Immediately prior to each fiscal year, BFS, PMD and ESD Administrators or their designees shall establish proposed annual MWBE goals for contracting, procurement and other expenditures by class of contract. The proposed goals will be submitted to the Deputy Chief and Bureau Directors for approval and adoption prior to the fiscal year.
2. Each Procurement Office shall review historical MWBE participation for contracting and purchasing activities under their control, identify opportunities to improve MWBE participation in the upcoming fiscal year, then develop forecasted goals for the fiscal year. The BFS Administrator will facilitate the process to consolidate the individual Procurement Office forecasts into the agency goals which are presented to executive management for approval.

3. The agency goals for fiscal year 2010 as adopted by executive management shall be:

Construction/Public Works	3% MBE	2% WBE
Architect/Engineering	3% MBE	2% WBE
Purchased Goods	3% MBE	2% WBE
Purchased Services	3% MBE	2% WBE
Professional Services	3% MBE	2% WBE

D. Measures and Strategies to Maximize MWBE Participation

1. For competitive procurements requiring a minimum of three bids, quotes must be obtained from at least one minority and one woman owned business. If not, the reasons for not doing so should be documented in writing and included in the purchase file. Procurement Offices will comply with this requirement whenever MWBEs are available for goods or services being procured. Soliciting vendors using the WEBS system satisfies this requirement regardless of whether bids are received from minority or women owned vendors. See next paragraph.

2. State Patrol procurement offices shall, as a minimum, solicit vendors and advertise procurements using the WEBS system for all competitive purchases. Additional vendors may be solicited in addition to those sought through WEBS. A screen print from WEBS should be placed in the procurement file documenting that the system was used for the procurement.

3. For sole source or direct buy purchases, all agency staff making purchasing decisions should strongly consider using a certified minority or woman owned business if the vendor meets the agency's needs. To determine if a vendor is a certified MWBE, purchasing staff may use the following resources:

- a. WEBS is an online service operated by the Department of General Administration that enables vendors to register to do business with Washington State and government organizations to post bidding opportunities. WEBS automatically solicits all MWBEs registered for the goods and/or services being procured.
- b. BizNet lists all certified MWBEs by either Standard Industrial Code (SIC) or North American Industry Classification System (NAICS) codes; and by county. If BizNet is used to meet this requirement the Procurement Office will keep a record of which MWBE firms were solicited in the purchasing file.
- c. Contact the BFS Contracts Manager or the PMD Supply Section Manager for assistance in determining if a vendor is MWBE certified.

E. Records Maintenance and Reporting

1. Individual Procurement Offices are responsible for maintaining purchase files containing records of contract awards, purchase orders, and other expenditures to demonstrate compliance with this policy. Purchase files should contain all documentation associated with the solicitation and award of the given purchase action including required quotes from MWBE vendors or documentation as to why MWBE vendors were not solicited.

2. Budget and Fiscal Services will report MWBE information monthly as required using AFRS history information. Accounts Payable staff will insure the accuracy of data reported by verifying the exception coding in the "MWBE Pay Flag" field for each purchase. Accounts Payable will initiate petitions for additive or deductive exceptions through the BFS Contracts Manager described in subparagraph 3 below.

3. In addition to the pre-approved exceptions provided via Exception Codes, the agency may petition for additive or deductive exceptions. An additive exception may be allowed for an MWBE expenditure assigned a sub-object that is not part of the Reporting Base. A deductive exception may be allowed for an expenditure to a non-certified business where there were no available MWBE firms to participate at any level. Purchasing Offices should request exceptions through the Contracts Manager, Budget and Fiscal Services. They shall provide the following information in writing when requesting an exception:

Sub-object code for the expenditure
Vendor name
Vendor Tax Identification Number (TIN)
Dollar amount (actual or anticipated)
Detailed justification for the petition

F. Resolving Disputes and Investigating Complaints

1. Any disputes regarding agency compliance with OMWBE regulations or processes should be initially referred to the BFS Contracts Manager who will investigate and determine the proper course of action. Contractual disputes or award protests will be handled in accordance with the disputes clause contained in the contract or the protest procedures contained in the contract solicitation. For all other complaints, the Contracts Manager will contact WSP's OWMBE representative to discuss a satisfactory resolution.